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By: **Chairman, Ways and Means Committee (By Request - Departmental -  
Business and Economic Development)**

Introduced and read first time: February 12, 2004

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Research and Development Tax Credit**

3 FOR the purpose of extending a certain termination provision applicable to the  
4 research and development tax credit allowed against the Maryland income tax;  
5 extending the applicability of the credit to certain taxable years; and generally  
6 relating to the research and development tax credit program.

7 BY repealing and reenacting, with amendments,  
8 Chapter 515 of the Acts of the General Assembly of 2000  
9 Section 2 and 4

10 BY repealing and reenacting, with amendments,  
11 Chapter 516 of the Acts of the General Assembly of 2000  
12 Section 2 and 4

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Chapter 515 of the Acts of 2000**

16 SECTION 2. AND BE IT FURTHER ENACTED, That:

17 (a) Except as otherwise provided in this section, this Act shall be applicable to  
18 all taxable years beginning after December 31, 1999 but before January 1, [2005]  
19 2010.

20 (b) If a taxpayer's taxable year for income tax purposes is not the calendar  
21 year:

22 (1) for the taxable year that ends in calendar year 2000, the taxpayer  
23 may apply for a prorated credit for research and development expenses paid or  
24 incurred in the taxable year for that part of the taxable year that falls in calendar  
25 year 2000; and

